

RE: H5789 AN ACT RELATING TO LABOR AND LABOR RELATIONS -- TEMPORARY DISABILITY INSURANCE -- GENERAL PROVISIONS

Chairperson Abney and members of the House Finance Committee:

On behalf of AARP- RI and our over 132,000+ members in Rhode Island we are in strong support of H-5789 that would improve the TDI/TCI program by better meeting all caregiving demands and the needs of all workers, especially those with lower incomes. Specifically, AARP supports this legislation because it will increase the number of weeks a worker can use, expand the category of who workers can take time to care for, increase the benefit rate, expand benefits to include gig workers and self-employed individuals, and expand the wage cap.

The third state in the nation to pass a paid family leave program, Rhode Island once led the way in providing security for workers and their families. However, as other states adopt these programs the standards have been raised, making Rhode Island's benefits greatly insufficient in comparison.

The fact is that TDI/TCI is growing. In 2020, 8,803 workers used TCI, an increase of 18% from 2019. The spike in 2020 claims was chiefly due to the COVID-19 pandemic. With no end in sight when it comes to COVID-19 and variants, Rhode Island needs to make the proper adjustments to ensure that this program meets the needs of our caregivers and workforce.

H 5789 would accomplish this by not only expanding the number of weeks a person can use from 4 to 12, it would also expand the category of who a worker can take time to care for to include: grandchildren, siblings, and care recipients. COVID-19 has changed the way we work, live, and support each other. Having to alter life to care for loved ones is more commonplace than ever. The impacts of these realities result in increasing stress and demands on families, often presenting a choice between providing care or sufficient financial support. It is very hard to do both as TDI/TCI is currently exists.

H 5789 would increase the benefit rate from the current 60% of wages to 90% in 2022 for those earning minimum wage and to 75% in 2022 for those earning twice the minimum wage. This is greatly needed in our state. Rhode Island minimum wage is currently \$11.50 an hour. That means a Rhode Islander who earns minimum wage and is forced to utilize TCI/TDI will have to support their family on \$6.90 an hour. Lower income families simply can't afford to have their wages cut by 40%, even for a few weeks. No Rhode Islander should have to decide between caring for a loved one or themselves and making enough money to keep a roof over their head.

For all of these reasons, AARP strongly supports H 5789 and hopes that you will too.

Sincerely,

Matthew Netto
Associate State Director AARP-RI